

THE HONORABLE _____

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA**

JOANNE SMITH and DOUGLAS SMITH,
husband and wife, and DOUGLAS SMITH as
attorney-in-fact for BETHEL REECE,

Plaintiffs,

v.

CHERYL E. SMITH and JOHN DOES 1 –
10,

Defendants.

Case No. 3:18-cv-05646

**COMPLAINT FOR CIVIL RICO
VIOLATION, FRAUD, AND BREACH
OF FIDUCIARY DUTY**

Jury Demand

Plaintiffs Joanne Smith and Douglas Smith, individually and Douglas Smith as attorney in fact for Bethel Reece, assert the following claims against Defendants Cheryl Smith and John Does 1 - 10:

NATURE OF ACTION

1. Douglas Smith, Joanne Smith, Cheryl Smith, and Bethel Reece are an association of individuals sharing the common purpose of care for Bethel Reece.

2. Cheryl Smith and John Does 1 – 10 are an association of individuals sharing the common purpose of defrauding Bethel Reece.

4. Plaintiffs bring this action against Defendant Cheryl Smith and John Does 1 - 10, seeking damages for Defendants' violation of Sections 1962(c) and 1962(d) of Chapter 18 of the United States Code, and for Defendant Cheryl Smith's related fraud and breach of the fiduciary duty she owed to Bethel Reece.

4. Plaintiffs bring this action against Defendant Cheryl Smith and John Does 1 - 10, seeking damages for Defendants' violation of Sections 1962(c) and 1962(d) of Chapter 18 of the United States Code, and for Defendant Cheryl Smith's related fraud and breach of the fiduciary duty she owed to Bethel Reece.

5. Defendants have continued to commit acts harmful to the enterprise organized for the care of Bethel Reece. Upon information and belief, Defendants' injurious acts will continue absent relief from this Court.

PARTIES

6. Bethel Reece is an individual residing at 295 Sylvan Way in Bremerton, Washington. This lawsuit is filed on her behalf through her attorney-in-fact, Plaintiff Douglas Smith.

7. Plaintiffs Douglas Smith and Joanne Smith are married individuals residing in Spokane County, Washington.

8. Defendant Cheryl Smith is an individual residing at 295 Sylvan Way in Bremerton, Washington.

9. On information and belief, John Does 1 – 10 are unknown individuals residing at 9235 Illahee Road NE in Bremerton, Washington.

JURISDICTION AND VENUE

10. This is an action for violation of the civil RICO Act under the laws of the United States, 18 U.S.C. § 1961 *et seq.* This Court has original jurisdiction over this action under 28

1 U.S.C. §1331, 18 U.S.C. §§ 1964(a), and (c), and under the principles of supplemental
2 jurisdiction pursuant to 28 U.S.C. § 1367.

3 11. This Court has personal jurisdiction over Defendants because they are residents of
4 the State of Washington and, on information and belief, own, use, or possess property in the
5 State of Washington.

6 12. Venue is proper in this judicial district under 28 U.S.C. §§ 1391, 1391(b)(1), and
7 1391(c)(1), as Defendants are residents of this judicial district and are subject to this Court's
8 personal jurisdiction.

9 **BACKGROUND**

10 **Plaintiffs' Enterprise with Defendant Cheryl Smith**

11 13. Plaintiffs and Cheryl Smith oversee and are responsible for the care of Bethel
12 Reece, who is 100 years old.

13 14. In August of 1999, when she was 81 years old, Bethel Reece designated Douglas
14 Smith and Cheryl Smith as attorneys-in-fact pursuant to a Joint Durable Power of Attorney.

15 15. In September of 1999, through their Joint Durable Power of Attorney, Douglas
16 Smith and Cheryl Smith conveyed the real property Bethel Reece owned at 295 Sylvan Way in
17 Bremerton, Washington (hereinafter the "real property") to Douglas Smith and Cheryl Smith as
18 joint tenants.

19 16. Plaintiffs and Cheryl Smith collectively associated to ensure the care of Bethel
20 Reece.

21 17. Bethel Reece currently lives at the real property at 295 Sylvan Way in Bremerton,
22 Washington, and she has lived there for more than 50 years.

23 18. At the time the real property was conveyed to Douglas Smith and Cheryl Smith,
24 Plaintiffs and Defendant entered into an "Agreement" to ensure that Bethel Reece would always

1 live at the real property, even after ownership of the property was transferred. As part of that
2 Agreement, Bethel Reece paid expenses of the real property, including insurance and real estate
3 taxes. That agreement has been reaffirmed many times, both verbally and in writing.

4 19. In 2006, in a letter to Cheryl Smith, Douglas Smith memorialized the Agreement
5 and the association of Plaintiffs and Cheryl Smith to ensure for the care of Bethel Reece, to
6 ensure she could live on the real property, and to ensure her former and current properties take
7 care of her needs.

8 20. Bethel Reece relies on and did rely on the association and the Agreement.

9 21. In 2006, Douglas Smith conveyed his separate interest in the real property to his
10 marital community, resulting in a shared interest by Plaintiffs and Cheryl Smith in the real
11 property.

12 22. Bethel Reece relied on Doug Smith's and Cheryl Smith's proper handling of her
13 former and current properties and her financial affairs when Douglas Smith and Cheryl Smith
14 held Joint Durable Power of Attorney.

15 23. Bethel Reece relies on Douglas Smith in his capacity as her attorney-in-fact.

16 24. Plaintiffs and Cheryl Smith have maintained consistent contact to plan and
17 execute activities necessary for the care of Bethel Reece and to uphold the Agreement.

18 **Defendants' Criminal Activity**

19 25. Bethel Reece owned multiple financial Certificates of Deposit, which until
20 August of 2015, were held with State Farm.

21 26. The monthly account statements for the Certificates of Deposit were always
22 mailed directly to Bethel Reece at her home address – the real property.

23 27. On August 6, 2015, without the knowledge or consent of the Plaintiffs or Bethel
24 Reece, and with the intent to deceive Plaintiffs and Bethel Reece, Cheryl Smith changed the

1 mailing address for the monthly statements for the State Farm Certificates of Deposit. Cheryl
2 Smith changed the address so the account statement did not get mailed to Bethel Reece at her
3 home address but was instead sent to Cheryl Smith, individually, at an address where neither
4 Cheryl Smith nor Plaintiffs nor Bethel Reece lived – 9235 Illahee Road NE in Bremerton,
5 Washington.

6 28. On information and belief, John Does 1 – 10 reside at 9235 Illahee Road NE in
7 Bremerton, Washington.

8 29. On information and belief, John Does 1 – 10 are accomplices of Cheryl Smith but
9 have no relation to any of the Plaintiffs.

10 30. On information and belief, John Does 1 – 10 participated in hiding from
11 Plaintiffs, and intentionally did hide from Plaintiffs, the change of address of Bethel Reece's
12 State Farm Certificate of Deposit account statement.

13 31. On August 7, 2015, without the knowledge or consent of the Plaintiffs or Bethel
14 Reece, and with the intent to deceive Plaintiffs and Bethel Reece, Cheryl Smith, transferred by
15 wire \$30,524.10 from Bethel Reece's Certificate of Deposit at State Farm to a Chase Bank
16 account maintained solely in Cheryl Smith's name with a routing number of XXXX0021 and
17 account number of XXXX4066.

18 32. The August 7, 2015 bank transfers caused fees and penalties to Bethel Reece's
19 State Farm Certificate of Deposit account, leaving a balance of \$0.00.

20 33. On information and belief, John Does 1 – 10 conspired with Cheryl Smith in all
21 her actions relating to the Certificate of Deposit account and her commission of mail fraud and
22 wire fraud.
23
24

1 34. Cheryl Smith intentionally changed the address on the account statement for
2 Bethel Reece's State Farm Certificates of Deposit to hide her actions from Plaintiffs and Bethel
3 Reece.

4 35. At some time prior to August 19, 2015, without Plaintiffs' knowledge or consent
5 and without Bethel Reece's knowledge or consent, Cheryl Smith intentionally, and with the
6 intent to deceive Bethel Reece, removed a one-carat diamond from Bethel Reece's wedding ring
7 and replaced it with a Moissanite fake.

8 36. Cheryl Smith took the one-carat diamond and had it set in a different ring setting
9 for herself.

10 37. Cheryl Smith wore and displayed the diamond.

11 38. Shortly after all these events in August 2015, and before Plaintiffs or Bethel
12 Reece discovered Cheryl Smith's actions, Cheryl Smith moved out of the United States of
13 America to Panama.

14 39. On August 25, 2015, Bethel Reece granted Douglas Smith sole power-of-attorney
15 over her affairs, therein revoking the previous power-of-attorney held jointly with Cheryl Smith.

16 40. After her actions were discovered and she was confronted by Douglas Smith, on
17 or about August 30, 2015, Cheryl Smith promised to return the thousands of dollars she stole
18 from Bethel Reece's Certificate of Deposit.

19 41. After her actions were discovered and she was confronted by Douglas Smith, on
20 or about August 30, 2015, Cheryl Smith agreed to reveal the location where she was hiding the
21 diamond she stole from Bethel Reece's ring, but she did not reset the diamond in Bethel Reece's
22 wedding ring nor return the ring to its original condition.

23 42. Shortly thereafter, Cheryl Smith returned from Panama and began living again at
24 the real property with Bethel Reece; they both reside at the real property now.

Defendant Cheryl Smith's Continuing Misuse of the Enterprise

43. On May 1, 2018, Cheryl Smith was licensed by the state of Washington as a Real Estate Broker, and is subject to the professional standards and duties of the profession.

44. On May 1, 2018, by and through her attorney, Cheryl Smith offered, in writing, to sell her interest in the real property to Plaintiff Joanne Smith. The written offer specifically stated it remained open until May 11, 2018.

45. Cheryl Smith, by and through her May 1, 2018 offer, threatened litigation to partition the real property if Joanne Smith refused Cheryl Smith's offer to sell.

46. Cheryl Smith's May 1, 2018 offer to sell included a reference to the county's 2018 Tax Statement's valuation for the real property at 295 Sylvan Way in Bremerton, Washington, containing a detailed legal description of the real property.

47. On May 9, 2018, Joanne Smith, by and through a writing from her attorney, accepted Cheryl Smith's May 1, 2018, offer without modification.

48. Joanne Smith's May 9, 2018 written acceptance advised Cheryl Smith that litigation to partition the real property would constructively evict Bethel Reece from her home, contrary to Bethel Reece's wishes and contrary to the Agreement.

49. After Joanne Smith accepted Cheryl Smith's offer, Cheryl Smith refused to perform and attempted to withdraw her offer.

50. Cheryl Smith's actions taken while a licensed real estate broker constituted statements and advertising that were false, deceptive and misleading, and caused harm to Plaintiffs. Cheryl Smith's actions caused and induced Joanne Smith to act and Cheryl Smith knowingly committed acts whereby Joanne Smith had lawfully relied upon the word, representation and conduct of the licensee possessing a Real Estate Broker's license.

1 51. On May 21, 2018, Douglas Smith filed a police report with the Bremerton Police
2 Department detailing Cheryl Smith's fraudulent actions. Upon information and belief, these acts
3 and material facts were concealed by Cheryl Smith in obtaining her Real Estate Broker's license.

4 52. The May 21, 2018, police report details the mail and wire frauds Cheryl Smith
5 committed, and explains some of Douglas Smith's concern that Cheryl Smith was encouraging
6 Bethel Reece to vacate the real property so that it might be sold.

7 53. On May 31, 2018, without Plaintiffs' knowledge or consent, without Bethel
8 Reece's knowledge or consent, and without authority, Cheryl Smith unilaterally and secretly
9 canceled the State Farm insurance policy through electronic means and utilizing both her e-mail
10 address at csmith4209@gmail.com and IP addresses 73.42.220.230 and 24.113.77.241.

11 54. The State Farm insurance policy had been in place for decades and had always
12 named as the insured the owners of the real property: Joanne Smith, Douglas Smith and Cheryl
13 Smith. Bethel Reece also had an insurable interest in the property.

14 55. The State Farm insurance policy included, in addition to coverage of the dwelling,
15 coverage for personal property and medical payments to others. The policy renewal certificate
16 had a balance due of \$734.00 by October 20, 2017. Bethel Reece paid the October 20, 2017
17 balance due from her personal Kitsap Credit Union account and coverage was provided through
18 October 20, 2018.

19 56. On May 31, 2018, Cheryl Smith opened a new insurance policy for the real
20 property through Farmers Insurance, naming only herself as the insured. This change was done
21 without authority, and without the knowledge or consent of Plaintiffs or Bethel Reece. Cheryl
22 Smith's actions affected interstate commerce and utilized computers and other electronic
23 devices.
24

1 57. Cheryl Smith intentionally deprived Plaintiffs and Bethel Reece of all protection
2 afforded by an insurance policy on the real property.

3 58. Upon information and belief, Cheryl Smith's actions were taken while holding her
4 real estate broker's license first issued May 1, 2018 and while working at Re/Max Victory as a
5 Broker possessing license 134893. Cheryl Smith's intentional actions depriving Plaintiffs and
6 Bethel Reece of all protection afforded by the policy paid for by Bethel Reece have resulted in
7 harm or damage to Plaintiffs and Bethel Reece.

8 59. Upon information and belief, the change to the insurance provides less coverage
9 and leaves Bethel Reece, Douglas Smith and Joanne Smith without insurance coverage on the
10 real property they own.

11 60. On July 13, 2018, Cheryl Smith filed a Complaint for Partition of the real
12 property in Kitsap County Superior Court, naming Joanne Smith as sole defendant.

13 61. At some time prior to July 16, 2018, Cheryl Smith replaced Bethel Reece's
14 mailbox at the real property with a locked mailbox. Bethel Reece does not have access to the
15 locked mailbox. Plaintiffs do not have access to the locked mailbox.

16 62. Cheryl Smith has operated a business on the real property with the Department of
17 Revenue Uniform Business Identification Number of 603-032-135 and utilized the mail.

18 63. For all the decades she has lived on the real property, Bethel Reece has always
19 paid the real estate taxes and the insurance premiums, even after the title for the real property
20 was transferred to Douglas Smith and Cheryl Smith and Joanne Smith.

21 64. Plaintiffs bring this action against Cheryl Smith and John Does 1 – 10 for
22 damages and injunctive relief from Defendants' pattern of racketeering activity in violation of 18
23 U.S.C. §1962(c). Plaintiffs seek injunctive relief stopping Cheryl Smith from continuing to
24 conspire to participate in the pattern of racketeering activity in violation of 18 U.S.C. §1962(d).

1 Plaintiffs also request injunctive relief from and damages for Cheryl Smith's fraud and breaches
2 of her fiduciary duty as an agent of Bethel Reece.

3 65. Plaintiffs and Bethel Reece should be awarded injunctive relief and monetary
4 damages as well as fees and costs to remedy and redress Defendants' violation of the civil RICO
5 statute, and Cheryl Smith's fraud and breaches of her fiduciary duty.

6 **COUNT I**

7 **Civil RICO Violation (I)**
8 **(15 U.S.C. § 1962(c))**

9 66. Plaintiffs incorporate and reallege, as if fully set forth herein, the allegations
10 contained in the foregoing paragraphs of this Complaint.

11 67. Cheryl Smith is an individual capable of holding a legal or beneficial interest in
12 property.

13 68. Cheryl Smith committed acts that constitute mail fraud and wire fraud.

14 69. Cheryl Smith conspired and planned to steal Bethel Reece's Certificate of Deposit
15 and deplete the funds.

16 70. Without Plaintiffs' knowledge or permission, Cheryl Smith intentionally depleted
17 Bethel Reece's account holdings in her Certificates of Deposit and stole the funds in the
18 Certificates of Deposit for herself.

19 71. Cheryl Smith used the United States mails to reroute the bank statements for
20 Bethel Reece's Certificate of deposit from the real property address where Bethel Reece resides
21 to conceal Cheryl Smith's actions.

22 72. Cheryl Smith used the United States wires to take the funds from Bethel Reece's
23 Certificate of Deposit and move them to a Chase Bank account naming Cheryl Smith as the sole
24 account holder.

1 73. Cheryl Smith used the United States wires to co-mingle her personal assets with
2 Bethel Reece's assets.

3 74. Cheryl Smith used the United States mails and wires to cancel the State Farm
4 rental dwelling insurance policy for the real property and seek money in return for premiums
5 paid by Bethel Reece.

6 75. Cheryl Smith intentionally and successfully concealed her actions from Plaintiffs
7 and Bethel Reece.

8 76. Cheryl Smith intentionally restricted, and continues to restrict, access to the
9 mailbox at the real property by Bethel Reece and Plaintiffs.

10 77. Cheryl Smith's scheme to deceive Plaintiffs and Bethel Reece was reasonably
11 calculated to deceive any person of ordinary prudence and comprehension.

12 78. Cheryl Smith's use of both the United States mail and wires to conceal and
13 deplete Bethel Reece's Certificate of Deposit were related in that they were targeted at the same
14 funds and the same victim(s).

15 79. Cheryl Smith's use of both the United States mail and wires display a threat of
16 continued criminal activity.

17 80. Both mail fraud and wire fraud form a basis of racketeering activity pursuant to
18 18 U.S.C. § 1961(1).

19 81. Plaintiffs and Cheryl Smith shared and share the common purpose of care for
20 Bethel Reece and to enforce the Agreement.

21 82. Plaintiffs and Cheryl Smith have cared and continue to care for Bethel Reece.

22 83. Plaintiffs and Cheryl Smith's association contemplates handling of Bethel
23 Reece's funds held by financial institutions engaging in interstate activity.
24

1 84. Cheryl Smith's conduct violates the civil RICO Act as codified by 18 U.S.C. §
2 1964(c).

3 85. As a direct and proximate result of Cheryl Smith's actions, Bethel Reece and
4 Plaintiffs have sustained and will continue to sustain injury and damages.

5 **COUNT II**

6 **Civil RICO Violation (II)**
7 **(15 U.S.C. § 1962(c))**

8 86. Plaintiffs incorporate and reallege, as if fully set forth herein, the allegations
9 contained in the foregoing paragraphs of this Complaint

10 87. Cheryl Smith is an individual capable of holding a legal or beneficial interest in
11 property.

12 88. John Does 1 – 10, on information and belief, are individuals capable of holding
13 legal or beneficial interests in property.

14 89. Cheryl Smith and John Does 1 – 10 committed acts that constitute mail fraud and
15 wire fraud.

16 90. Cheryl Smith and John Does 1 – 10 planned to steal Bethel Reece's Certificate of
17 Deposit and deplete the funds.

18 91. Without the knowledge or permission of Bethel Reece and Plaintiffs, Cheryl
19 Smith and John Does 1 – 10 intentionally depleted Bethel Reece's entire account holdings in her
20 Certificates of Deposit and stole the funds in the Certificates of Deposit for themselves.

21 92. Cheryl Smith and John Does 1 – 10 used the United States mails to reroute the
22 bank statements for Bethel Reece's Certificate of deposit from the real property address where
23 Bethel Reece resided.
24

1 93. Cheryl Smith and John Does 1 – 10 used the United States wires to take the funds
2 from Bethel Reece's Certificate of Deposit and move them to a Chase account naming Cheryl
3 Smith as the account holder.

4 94. Cheryl Smith and John Does 1 – 10 intentionally and successfully concealed their
5 actions from Plaintiffs and Bethel Reece.

6 95. Cheryl Smith and John Does 1 – 10 intentionally restricted, and continue to
7 restrict, access to the mailbox at the real property for Bethel Reece and Plaintiffs.

8 96. Cheryl Smith and John Does 1 – 10's scheme to deceive Plaintiffs and Bethel
9 Reece was reasonably calculated to deceive any person of ordinary prudence and
10 comprehension.

11 97. Cheryl Smith and John Does 1 – 10's use of both the United States mail and wires
12 to conceal and deplete Bethel Reece's Certificate of Deposit were related in that they were
13 targeted at the same funds and the same victim(s).

14 98. Cheryl Smith and John Does 1 – 10's use of both the United States mail and wires
15 display a threat of continued criminal activity.

16 99. Both mail fraud and wire fraud form a basis of racketeering activity pursuant to
17 18 U.S.C. § 1961(1).

18 100. Cheryl Smith and John Does 1 – 10 shared the same purpose of defrauding Bethel
19 Reece and Plaintiffs to reap financial benefit.

20 101. Cheryl Smith and John Does 1 – 10 have engaged in a continuous scheme and
21 continue to conspire in their efforts to defraud Bethel Reece and Plaintiffs.

22 102. Cheryl Smith and John Does 1 – 10 are engaged in a scheme utilizing Bethel
23 Reece's funds held by financial institutions engaging in interstate activity.
24

103. Cheryl Smith and John Does 1 – 10's conduct violates the civil RICO Act as codified by 18 U.S.C. § 1964(c).

104. As a direct and proximate result of Cheryl Smith and John Does 1 – 10's actions, Plaintiffs and Bethel Reece have sustained and will continue to sustain injury and damages.

COUNT III

**Civil RICO Violation
(15 U.S.C. § 1962(d))**

105. Plaintiffs incorporate and reallege, as if fully set forth herein, the allegations contained in the foregoing paragraphs of this Complaint

106. Cheryl Smith and John Does 1 – 10 conspired to deplete Bethel Reece’s entire account holdings in her Certificates of Deposit.

107. This conspiracy included Cheryl Smith and John Does 1 – 10 conspiring to use the United States mails to reroute the bank statements for Bethel Reece’s Certificate of deposit from the real property address where Bethel Reece resided.

108. This conspiracy included Cheryl Smith and John Does 1 – 10 conspiring to use the United States wires to take the funds from Bethel Reece’s Certificate of Deposit and move them to a Chase account naming Cheryl Smith as the account holder.

109. This conspiracy included Cheryl Smith and John Does 1 – 10 conspiring to conceal their actions from Plaintiffs and Bethel Reece.

110. This conspiracy included Cheryl Smith and John Does 1 – 10 conspiring to restrict access to the mailbox at the real property for Bethel Reece and Plaintiffs.

111. Cheryl Smith and John Does 1 – 10's conspiracy to deceive Plaintiffs and Bethel
Reece was reasonably calculated to deceive any person of ordinary prudence and
comprehension.

1 112. Cheryl Smith and John Does 1 – 10’s conspired use of both the United States mail
2 and wires to conceal and deplete Bethel Reece’s Certificate of Deposit were related in that they
3 were targeted at the same funds and the same victim(s).

4 113. Cheryl Smith and John Does 1 – 10’s conspired use of both the United States mail
5 and wires display a threat of continued criminal activity.

6 114. Both mail fraud and wire fraud form a basis of racketeering activity pursuant to
7 18 U.S.C. § 1961(1).

8 115. Cheryl Smith and John Does 1 – 10 shared the same purpose of defrauding Bethel
9 Reece and Plaintiffs to reap financial benefit.

10 116. Cheryl Smith and John Does 1 – 10 have engaged in a continuous scheme and
11 continue to conspire in their efforts to defraud Bethel Reece and Plaintiffs.

12 117. Cheryl Smith and John Does 1 – 10 are engaged in a conspiracy which includes a
13 scheme utilizing Bethel Reece’s funds held by financial institutions engaging in interstate
14 activity.

15 118. Cheryl Smith and John Does 1 – 10’s conduct violates the civil RICO Act as
16 codified by 18 U.S.C. § 1964(d).

17 119. As a direct and proximate result of Cheryl Smith and John Does 1 – 10’s actions,
18 Plaintiffs and Bethel Reece have sustained and will continue to sustain injury and damages.

19 **COUNT IV**

20 **Breach of Fiduciary Duty**

21 120. Plaintiffs incorporate and reallege, as if fully set forth herein, the allegations
22 contained in the foregoing paragraphs of this Complaint.

23 121. Cheryl Smith was granted powers of attorney-in-fact over Bethel Reece’s
24 property from August 4, 1999 until August 25, 2015.

123. Cheryl Smith breached her fiduciary duties by removing Bethel Reece's diamond.

125. Cheryl Smith's breaches of her fiduciary duties proximately caused injury to Bethel Reece.

127. Plaintiffs request damages for the injuries sustained by Bethel Reece and injunctive relief enjoining Cheryl Smith from engaging in activity involving the disposition or attempted disposition of any of the former or current properties of Bethel Reece, and from disposing of properties required for the care of Bethel Reece and from taking any action inconsistent with the Agreement.

Common Law Fraud

129. Cheryl Smith intentionally removed Bethel Reece's diamond from her wedding ring.

1 131. After removing the real diamond from Bethel Reece's wedding ring, Cheryl
2 Smith intentionally replaced it with or caused it to be replaced with a Moissanite, or false
3 diamond, and Cheryl Smith took the real diamond for herself.

4 132. Cheryl Smith knew the stone she had placed in Bethel Reece's ring was not the
5 real diamond she had taken from it.

6 133. Cheryl Smith intended Bethel Reece to believe the fake stone placed in her ring
7 was her real wedding diamond.

8 134. Bethel Reece was not aware the stone in her wedding ring was replaced by Cheryl
9 Smith with a fake stone.

10 135. Because of her fiduciary relationship with Cheryl Smith, Bethel Reece had a right
11 to rely on Cheryl Smith, and assume Cheryl Smith could be trusted with Bethel Reece's
12 property.

13 136. Cheryl Smith intentionally removed Bethel Reece's funds from her Certificate of
14 Deposit and hid these actions from Bethel Reece and from Plaintiffs.

15 137. Cheryl Smith intentionally changed the mailing address on the statement of
16 account for Bethel Reece's Certificate of Deposit to hide Cheryl Smith's theft from Bethel Reece
17 and from Plaintiffs.

18 138. Cheryl Smith intentionally failed to disclose her actions to Bethel Reece and
19 Plaintiffs.

20 139. After her theft was discovered, Cheryl Smith made false, deceptive, and
21 misleading statements and material misrepresentations to Plaintiffs, intending them to rely on the
22 representations, about the location of Bethel Reece's Diamond and Certificates of Deposit.

23 140. Cheryl Smith's actions proximately caused injury and damage to the Bethel Reece
24 and Plaintiffs.

PRAYER FOR RELIEF

Plaintiffs pray for judgment against Defendants for the following relief:

1. A permanent injunction enjoining Defendants Cheryl Smith and John Does 1 – 10 from engaging in any activity involving the disposition or proposed disposition of (i) any of the former or current properties of Bethel Reece including without limitation, but not limited to, the real property at 295 Sylvan Way in Bremerton, Washington; (ii) the personal property of Bethel Reece located at 295 Sylvan Way in Bremerton, Washington; (iii) intangible properties (including, but not limited to, surveys, drawings, trade secrets, and architectural renderings) related to the real property at 295 Sylvan Way in Bremerton; (iv) Bethel Reece’s financial accounts; and from taking any action inconsistent with the Agreement.

2. An award to Plaintiffs and Bethel Reece for damages in an amount to be determined by a trier of fact for all harm caused by the actions of Cheryl Smith and John Does 1 – 10’s, including without limitation, the costs of the action, reasonable attorneys’ fees, costs, and treble damages as authorized by law.

3. An award of interest, including prejudgment interest, on the foregoing amounts.

4. For other and further relief, in law or in equity, to which Plaintiffs may be entitled or which the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all issues triable by a jury.

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1 DATED this 10th day of August 2018.

2 By: s/ Geana M. Van Dessel

3 By: s/ Sarah E. Elsdén

4 Geana M. Van Dessel, WSBA #35969

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